# GOVERNMENT OF INDIA
# LABOUR
# LOK SABHA

STARRED QUESTION NO:205
ANSWERED ON:06.08.2001
INCREASE IN PF COVERAGE
MANIKRAO HODLYA GAVIT

**Will the Minister of LABOUR be pleased to state:**

(a) whether attention of the Government has been drawn towards the newsitem regarding coverage of more establishments under PF scheme appearing in the `Navbharat Times` dated June 30, 2001;

(b) if so, the facts of the matter reported therein;

(c) the details of schemes formulated by the Government to curb retrenchment which is likely to happen as a result of the new scheme; and

(d) the likely increase in the amount in the P.F. corpus following the implementation of the above proposal and its likely impact on future employment?

## Answer

MINISTER OF LABOUR ( DR. SATYANARAYAN JATIYA )

(a) to (d): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 205 TO BE ANSWERED ON 06.08.2001.

(a) to (d): Government is aware of the news item. It was reported in the news item that in the event the threshold for coverage under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 is reduced from 20 employees to 10,on the one hand more employees would get benefit of social security and on the other opportunities for employment will get reduced.

The proposal to amend the Employees Provident Funds & Miscellaneous Provisions Act, 1952 to reduce the threshold for coverage under the provident fund from 20 to 10, has been referred to the Central Board of Trustees (EPF) for tripartite discussion. It is too early to asses the increase in the PF corpus and its impact on employment in the event the threshold for coverage is reduced.